

ST. TAMMANY PARISH CLERK OF COURT

ST. TAMMANY PARISH, LOUISIANA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED

JUNE 30, 2009

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/27/10

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INDEPENDENT AUDITORS' REPORT

To the Honorable Malise Prieto
St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of St. Tammany Parish Clerk of Court (the Clerk) as of and for the year ended June 30, 2009, which collectively comprise the Clerk's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Clerk's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the *Louisiana Governmental Audit Guide*, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major funds, and the aggregate remaining fund information of the St. Tammany Parish Clerk of Court, as of June 30, 2009, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2009, on our consideration of the St. Tammany Parish Clerk of Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

ERICKSEN KRENTEL & LA PORTE L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

St. Tammany Parish Clerk of Court

November 5, 2009

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The Management's Discussion and Analysis and the Budgetary Comparison Information on pages 3 through 9 and page 28, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Clerk's basic financial statements. The accompanying supplemental information listed in the table of contents as Other Supplementary Information is presented for the purpose of additional analysis is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

November 5, 2009

Erickson, Krentel & LaPorte LLP

Certified Public Accountants

REQUIRED SUPPLEMENTARY INFORMATION (PART 1)

**ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2009**

Management's Discussion and Analysis (MD&A) for the St. Tammany Parish Clerk of Court (the Clerk) is designed to:

- Assist the reader in focusing on significant financial issues; provide an overview of the Clerk's financial activities;
- Identify changes in the Clerk's overall financial position and results of operations and assist the user in determining whether financial position has improved or deteriorated as a result of the year's operations;
- Identify any significant variances from the original, amended and final budget amounts and include any currently known reasons for those variations that are expected to have a significant effect on future services or liquidity; and
- Identify individual fund issues or concerns.

The information contained herein should be read in conjunction with the financial statements, notes thereto and other required supplemental information taken as a whole.

OVERVIEW OF THE FINANCIAL STATEMENTS

The MD&A is required supplementary information that introduces the reader to the basic financial statements and provides an overview of the Clerk's financial activities. The Clerk's basic financial statements consist of the following components: government-wide financial statements, fund financial statements and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements (see Exhibits A and B) are designed to present the financial operations of the Clerk as a whole in a format similar to private sector companies. The Statement of Net Assets presents information on the Clerk's assets and liabilities using the accrual basis of accounting, in a manner similar to the accounting used by private business enterprises. The difference between the assets and liabilities is reported as net assets. Over time, the increases or decreases in net assets (and changes in the components of net assets) may serve as a useful indicator of whether the financial position of the Clerk is improving or weakening.

The Statement of Activities presents information showing how the Clerk's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenditures are reported in this statement for some items that will only result in cash flows in future fiscal periods, e.g., uncollected taxes and earned, but unused vacation leave.

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2009

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Clerk, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. The Clerk uses two categories of funds to account for financial transactions - governmental funds and fiduciary funds.

Governmental funds are used to account for most of the basic services and projects reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances available for spending at year-end. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements (see Exhibits C, D, E and F) provide a detailed short-term view of the Clerk's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the Clerk's programs. The Clerk has only one governmental fund - the general fund, which is used to account for the Clerks basic services.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, there are differences in the information presented for governmental funds and for governmental activities in the government-wide financial statements. Review of these differences provides the reader of the financial statements insight on the long-term impact of the Clerk's more immediate decisions on the current use of financial resources. The governmental funds columns of the fund financial statements require and include a reconciliation following the Balance Sheet (Exhibit D) and the Statement of Revenues, Expenditures and Changes in Fund Balances (Exhibit F).

The fiduciary funds are used to account for resources held for the benefit of parties outside the government. The fiduciary funds financial statements can be found on page 16 of this report. The only type of fiduciary fund accounted for by the Clerk is "agency" funds. Agency funds are custodial in nature and represent assets held by the Clerk as an agent for litigants pending court action. Under applicable standards of GASB Statement No. 34, agency funds are not included in the government-wide financial statements. These activities are excluded from the Clerk's other financial statements because these assets are not available to finance operations. The Clerk is responsible for ensuring that the assets reported in these funds are used for their intended purposes. These funds are for unsettled deposits and increased \$8,561,572 during the current year.

Notes to the Financial Statements

The notes to the financial statements, in particular, "Note 1 - Summary of Significant Accounting Policies," discusses presentation and reporting requirements prescribed by the GASB standards. When reviewing this MD&A, the reader should refer to and review the notes to the financial statements (beginning on page 17), as well as the government-wide and fund financial statements (included in Exhibit's A through G).

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2009

FINANCIAL HIGHLIGHTS

- At June 30, 2009, the St. Tammany Parish Clerk of Court maintained an unrestricted net assets balance of \$3,188,654. Unrestricted net assets represent the net balance of all types of assets accumulated by the Clerk in excess of the amount invested in capital assets and any restricted assets. Restricted assets are those which are constrained by creditors, grantors, contributors or by laws and regulations. As of June 30, 2009, the Clerk did not have any restricted assets.
- At fiscal year-end, the total investment in capital assets decreased to \$151,023.
- Total assets at June 30, 2009, were \$3,641,816 while total liabilities amounted to \$302,139. In accordance with statutory requirements, the Clerk has no bonded indebtedness or long-term notes.
- The most significant continuing revenue sources for governmental activities were \$2,841,167 in revenues from document recording fees and \$4,119,783 in charges and court costs for suits and successions.
- Total expenses of the Clerk exceeded the total revenues for the fiscal year, resulting in a decrease in net assets of (\$49,066).

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Assets

Included below are the condensed Statements of Net Assets for the St. Tammany Clerk of Court.

Condensed Statements of Net Assets – Governmental Activities

	June 30, 2009	June 30, 2008
Current and other assets	\$ 3,490,793	\$ 3,573,530
Capital assets, net	<u>151,023</u>	<u>222,383</u>
Total assets	<u>3,641,816</u>	<u>3,795,913</u>
Liabilities	<u>302,139</u>	<u>407,170</u>
Total liabilities	<u>302,139</u>	<u>407,170</u>
<u>Net Assets:</u>		
Invested in capital assets	151,023	222,383
Unrestricted net assets	<u>3,188,654</u>	<u>3,166,360</u>
Total net assets, 2008 as restated	<u>\$ 3,339,677</u>	<u>\$ 3,388,743</u>

See Exhibit A for a more detailed Statement of Net Assets for the St. Tammany Parish Clerk of Court.

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2009

Government-Wide Review of Condensed Statement of Net Assets

The composition of Net Assets and the changes in net assets over time serves as a useful indicator of a government's financial position. The St. Tammany Parish Clerk of Courts assets at fiscal year-end exceeded liabilities by \$3,339,677 (Net Assets), with the Clerk reporting positive balances in all categories of net assets. Of the total net assets, \$3,188,654 are unrestricted net assets. The balance of net assets consists of \$151,023 invested in capital assets.

The largest component of the "Current and Other Assets" category is investments totaling \$2,981,475, which are unrestricted and available to meet the Clerk's operational obligations. These funds decreased by \$450,000 during the year, primarily due to the partial liquidation of the LAMP investment account.

Capital assets, totaling \$151,023, represent the investment in computers, furniture and equipment, all of which are more fully described in a later section. This balance is \$71,360 less than last year primarily due to current year depreciation expense being greater than acquisitions of assets.

The "Liabilities" category consists of a deficit in cash, accrued liabilities, deferred revenue and compensated absences. Total liabilities decreased by \$105,031 during the current year. This increase is the net result of normal fluctuations in the various liability accounts.

Statement of Activities

The Statement of Activities for the St. Tammany Parish Clerk of Court is presented in Exhibit B. An explanation of the components of this statement is as follows.

There are two categories of revenues on the Statement of Activities – "Program Revenues" and "General Revenues". "Program Revenues" are derived directly from the program itself and they reduce the net cost of the function to be financed from the government's "General Revenues", which are presented below:

	<u>June 30,</u> <u>2009</u>	<u>June 30,</u> <u>2008</u>
Program Revenues:		
Charges for services	\$ 7,585,786	\$ 7,733,800
General Revenues:		
Other revenues	58,313	529,396
Interest earnings	<u>161,820</u>	<u>442,196</u>
Total general revenues	<u>220,133</u>	<u>971,592</u>
Total revenues	<u>\$ 7,805,919</u>	<u>\$ 8,705,392</u>

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2009

Statement of Activities (continued)

	<u>June 30,</u> <u>2009</u>	<u>June 30,</u> <u>2008</u>
Program Expenses:		
Personnel services	\$ 7,047,148	\$ 8,077,686
Operating services	624,528	448,263
Materials and supplies	146,571	292,129
Seminars and conventions	24,089	32,295
Contribution to Parish to rebuild Slidell Parish Government Building	-	700,000
Capital outlays	<u>12,649</u>	<u>341,340</u>
 Total expenses	 <u>\$ 7,854,985</u>	 <u>\$ 9,891,713</u>

ANALYSIS OF FUND FINANCIAL STATEMENTS

The Clerk maintains only one "governmental fund" – the general fund. Its statements are presented as follows:

<u>Description of Financial Statement</u>	<u>Exhibit</u>
Balance Sheet	C
Statement of Revenues, Expenditures and Changes in Fund Balance	E

Governmental Funds

Under the modified-accrual basis for fund financial statements, the emphasis is on accounting for current financial resources. The analysis in this section includes a discussion of components of the fund financial statements but concentrates on differences not discussed previously for the government-wide financial statements.

At fiscal year-end, the general fund reported an unreserved fund balance of \$3,346,502. Receivables totaling \$46,633, investments totaling \$2,981,475 and cash and cash equivalents totaling \$394,361 are identical to the government-wide presentation. Capital assets of \$151,023 are presented only in the government-wide presentation. The fund financial statements only account for current financial resources; therefore, current year capital expenditures are accounted for in the current year operating statement (Statement of Revenues, Expenditures and Changes in Fund Balance). Liabilities totaling \$75,967 are deferred revenue. Since compensated absences are only recorded when paid, they are not included here.

**ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2009**

The fund reporting format presents in the Statement of Revenues, Expenditures and Changes in Fund Balance all revenue types followed by the expenses of the Clerk, presented on a functional basis. The major revenue and expenditure sources are similar to the government-wide presentation. The differences in total expenditures are in the reporting of capital expenditures, depreciation and prepaid expenses. As previously noted, in the fund financial statements, capital expenditures are reported on the operating statement (Statement of Revenues, Expenditures and Changes in Fund Balance); whereas the government-wide financial statements report capital assets on the Statement of Net Assets with depreciation expense recorded on the Statement of Activities in a manner similar to a private business enterprise.

REQUIRED SUPPLEMENTARY INFORMATION

In addition to this MD&A and the basic financial statements, this report also presents certain required supplementary information which includes a Budgetary Comparison Schedule found on Schedule A-1. The presentation under the GASB Statement No. 34 standard requires disclosure of both the original and the final budget. The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations and other legally authorized legislative and executive changes applicable to the fiscal year, whenever signed into law or otherwise legally authorized.

ANALYSIS OF BUDGET VARIATIONS IN THE GENERAL FUND

Actual revenues were less than final budgeted revenues by approximately 5.9% and actual expenditures were less than budgeted expenditures by approximately 6.1%.

The variations from the original budgeted revenues and expenditures for the general fund were as follows:

- Actual revenues were less than the final budget by \$494,074 primarily due to lower interest rates available on investments and reduced records requests.
- Expenditures were less than the final budget by \$502,977 due primarily to a decrease in personnel costs.

CAPITAL ASSETS AND LONG TERM DEBT

Capital Assets at Year-End

Capital assets had a net decrease of \$71,359 for the year ended June 30, 2009, because depreciation expense was greater than the acquisition cost of new assets. The notes to the financial statements, in particular Note 4, "Capital Assets," discusses detail of capital assets.

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2009

Long Term Debt

Since Clerk's of Court are not allowed to incur long-term indebtedness for bonds or notes payable, the Clerk had no long-term debt outstanding.

ECONOMIC FACTORS

As was discussed in last year's report, the recession continues to affect the Clerk's office's ability to generate revenues that are associated with home sales and the resulting recording fees. Foreclosure lawsuit fees will mitigate this reduction in fees but not to the extent of offsetting the decline in recording fees.

In addition to the anticipated decline in revenues, the Clerk is budgeting for additional expenses for the coming year. This increase is primarily the result of increasing the number of personnel necessary to support the two new judgeships and their related staff and continuing to maintain trained personnel to meet the obligations of the Clerk's office. In addition to the increased payroll costs of the added employees, there will be an increase in the retirement contributions paid by the Clerk effective July 1, 2010. Because of the changes in revenues and expenses discussed, the Clerk's office anticipates that the net assets for the year 2009-2010 will decrease.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the St. Tammany Parish Clerk of Court's finances. Questions concerning this report or the need for additional information should be directed to Malise Prieto, Clerk of Court, St. Tammany Parish, P.O. Box 1090, Covington, Louisiana 70434.

BASIC FINANCIAL STATEMENTS

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
STATEMENT OF NET ASSETS
JUNE 30, 2009

	<u>Governmental Activities</u>
<u>ASSETS:</u>	
Cash and cash equivalents	\$ 394,361
Investments	2,981,475
Receivables	46,633
Prepaid insurance	68,324
Capital assets, net of accumulated depreciation	<u>151,023</u>
 Total assets	 <u>3,641,816</u>
 <u>LIABILITIES:</u>	
Deferred revenue	75,967
Compensated absences	<u>226,172</u>
 Total liabilities	 <u>302,139</u>
 <u>NET ASSETS:</u>	
Invested in capital assets	151,023
Unrestricted	<u>3,188,654</u>
 Total net assets	 <u>\$ 3,339,677</u>

The accompanying notes are an integral part of this statement

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues Charges for Services</u>	<u>Net (Expense) Revenues and Change in Net Assets</u>
<u>Governmental activities:</u>			
General government	\$ 7,854,985	\$ 7,585,786	\$ (269,199)
		General revenues:	
		Interest income	161,820
		Other	58,313
		Total general revenue	220,133
		Change in net assets	(49,066)
		Net assets - beginning, as restated	3,388,743
		Net assets - ending	\$ 3,339,677

The accompanying notes are an integral part of this statement

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
BALANCE SHEET - GOVERNMENTAL FUND
JUNE 30, 2009

	<u>General Fund</u>
<u>ASSETS:</u>	
Cash and cash equivalents	\$ 394,361
Investments	2,981,475
Receivables	<u>46,633</u>
 Total assets	 <u>\$ 3,422,469</u>
 <u>LIABILITIES:</u>	
Deferred revenue	<u>75,967</u>
 Total liabilities	 <u>75,967</u>
 <u>FUND BALANCE:</u>	
Unreserved	<u>3,346,502</u>
 Total fund balance	 <u>3,346,502</u>
 Total liabilities and fund balance	 <u>\$ 3,422,469</u>

The accompanying notes are an integral part of this statement

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2009

Fund balance - governmental fund	\$	3,346,502
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Amounts reported for governmental activities in the Statement of Net Assets
are different because:

Capital assets used in governmental activities are not financial resources
and, therefore, are not reported in the governmental funds.

Governmental capital assets		834,551
Less: accumulated depreciation		(683,528)

Prepaid expenses are not recorded as an asset on the governmental balance sheet as they represent funds that have already been expended.		68,324
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Compensated absences are not payable out of current funds and are not included in the governmental fund balance		(226,172)
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Net assets of governmental activities	\$	<u>3,339,677</u>
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The accompanying notes are an integral part of this statement

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
GOVERNMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	<u>General Fund</u>
<u>REVENUES:</u>	
Fees, charges and commissions for services:	
Court costs, fees and charges	\$ 4,119,783
Fees for recording legal documents	2,841,167
Fees for certified copies	167,767
Interest income	161,820
Marriage licenses	26,423
Other	<u>485,783</u>
Total revenues	<u>7,802,743</u>
<u>EXPENDITURES:</u>	
General government:	
Administration	473,833
Recordings and filings	1,388,991
Mortgage certificates	1,098,132
Civil suits and probates	2,674,273
Criminal suits and minutes	1,744,639
Elections	168,064
Computers	<u>234,316</u>
Total expenditures	<u>7,782,248</u>
Excess of expenditures over revenues	20,495
FUND BALANCE, BEGINNING	<u>3,326,007</u>
FUND BALANCE, ENDING	<u><u>\$ 3,346,502</u></u>

The accompanying notes are an integral part of this statement

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGE IN FUND BALANCE OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

Net change in fund balance - government fund	\$	20,495
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.		(71,360)
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as expenditures in governmental funds:

Change in prepaid insurance		4,967
Change in compensated absences		(3,168)
Change in net assets of governmental activities	\$	<u>(49,066)</u>

The accompanying notes are an integral part of this statement

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2009

	<u>Agency Funds</u>
<u>ASSETS:</u>	
Cash and cash equivalents	\$ 15,127,067
Investments	<u>4,520,000</u>
 Total assets	 <u>\$ 19,647,067</u>
<u>LIABILITIES:</u>	
Unsettled deposits	\$ <u>19,647,067</u>
 Total liabilities	 <u>\$ 19,647,067</u>

The accompanying notes are an integral part of this statement

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the St. Tammany Parish Clerk of Court (the Clerk) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below:

Reporting Entity

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the Clerk serves as the ex-officio notary public, the recorder of conveyances, mortgages and other acts, and has other duties and powers provided by law. The Clerk is elected for a four-year term.

For financial reporting purposes, the Clerk includes all funds, account groups and activities that are within the oversight responsibility of the Clerk as an independently elected parish official. The Clerk is solely responsible for the operations of her office, which include the hiring or retention of employees, authority over budgeting and the receipt and disbursement of funds. Accordingly, the Clerk is fiscally independent and a separate reporting entity. Certain units of local government, over which the Clerk exercises no oversight responsibility, such as the Parish Council, Parish School Board, other independently elected parish officials and municipalities within the Parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from that of the Clerk.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the non-fiduciary activities of the Clerk.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Interest earnings and other revenues not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental fund.

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2009

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. For this purpose, the Clerk considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, compensated absences are recorded when paid.

Fees and charges for services, interest earnings and other revenues of the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Clerk.

The financial statements of the Clerk include the following major governmental fund:

General Fund - The general fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the Clerk and accounts for the operations of the Clerk's office. The various fees and charges due to the Clerk's office are accounted for in this fund. General operating expenditures are paid from this fund.

Additionally, two agency funds are included - The Advance Deposit Fund and The Registry of Court Fund. Agency funds account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Advance Deposit Fund, as provided by Louisiana Revised Statute 13:842 is used to account for advance deposits in suits filed by litigants. The advances are refunded to the litigants after all costs are paid. The Registry of Court Fund, as provided by Louisiana Revised Statute 13:475, is used to account for funds held by order of the court until judgment is rendered by the judiciary. Withdrawal of funds can be made only upon order of the court.

When both restricted and unrestricted resources are available for use, it is the Clerk's policy to use restricted resources first, then unrestricted resources as they are needed.

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2009

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budget and Budgetary Accounting

Formal budget integration is employed as a management control device during the year for the general fund. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. The proposed budget for the 2009 fiscal year was made available for public inspection at the Clerk's office on June 12, 2008. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal twelve days before the public hearing. The budget hearing was held at the Clerk's office on June 25, 2008. The budget is legally adopted and amended, as necessary, by the Clerk. All appropriations lapse at year-end.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Clerk.

Cash, Cash Equivalents and Investments

Cash includes amounts in demand deposits, interest bearing demand deposits and money market accounts. Under state law, the Clerk may deposit funds in demand deposits, interest bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Under state law, the Clerk may invest in United States bonds, treasury notes or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash. Investments are stated at fair value using published market values.

Capital Assets

Capital assets, which include computers, furniture and equipment, are reported in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost (the extent to which fixed asset costs have been estimated and the methods of estimation should be disclosed) if historical costs are not available (or describe other method of valuation). Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Clerk maintains a threshold level of \$2,500 or more for capitalizing assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2009

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (continued)

Capital outlays are recorded as expenditures of the general fund, and they are recorded as assets in the government-wide financial statements to the extent the Clerk's capitalization threshold is met. The Clerk has no infrastructure assets.

All capital assets are depreciated using the straight-line method over useful lives of five to twelve years.

Compensated Absences

Employees accrue vacation leave at the rate of 10 to 20 days per year, according to years of service with the Clerk's office. A maximum of 5 days of vacation leave can be carried forward to the succeeding year with written approval of supervisor or department head. Vacation leave in excess of the carry forward amount is forfeited. Employees accrue sick leave at a rate of 6 to 12 days per year, according to years of service with the Clerk's office. Employees are allowed to carry forward a maximum of 30 days of unused sick leave from year to year. Upon termination, or at retirement, employees are paid for unused sick leave at the discretion of the Clerk. At retirement, employees are paid for all accrued vacation leave.

Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as a liability in the Statement of Net Assets.

Fund Equity

Government-Wide Statements

Equity is classified as net assets and displayed in two components:

1. Invested in capital assets - Consists of capital assets, net of accumulated depreciation
2. Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or invested in capital assets

Fund Statements

Governmental fund equity is classified as unreserved fund balance.

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2009

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

Date of Management Review

Management has evaluated subsequent events through November 5, 2009 the date which the financial statements were available to be issued.

New Accounting Pronouncement

In June 2004, the GASBS issued Government Accounting Standards Board Statement Number 45 (GASBS No. 45), *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. GASBS No. 45 establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information (RSI) in the financial reports of state and local governmental employers. GASBS No.45 is effective prospectively in three phases in periods beginning after December 15, 2006. The Clerk will implement GASBS No. 45 in the third phase for periods beginning after December 15, 2008. The Clerk has not completed the process of evaluating the impact that will result in adopting GASBS No. 45 and is therefore unable to disclose the impact that adopting GASBS No. 45 will have on the Clerk's net assets and changes in net assets when such statement is adopted.

(2) CASH, CASH EQUIVALENTS AND INVESTMENTS

At June 30, 2009, the Clerk had cash and cash equivalents (book balances) as follows:

	Government-Wide Statement of Net Assets	Fiduciary Funds Statement of Net Assets	Total
<u>Cash and Cash Equivalents:</u>			
Petty cash	\$ 1,685	\$ -	\$ 1,685
Interest bearing deposits	392,676	15,127,067	15,519,743
 Total	 \$ 394,361	 \$ 15,127,067	 \$ 15,521,428

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2009

(2) CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments:

Certificates of deposit	\$ 2,181,475	\$ 4,520,000	\$ 6,701,475
LAMP Account	<u>800,000</u>	<u>-</u>	<u>800,000</u>
Total	<u>\$ 2,981,475</u>	<u>\$ 4,520,000</u>	<u>\$ 7,501,475</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank.

These securities are held in the name of the pledging bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2009, the Clerk had \$22,875,728 in deposits (collected bank balances), which includes investments in certificates of deposit of \$6,701,475. These deposits are secured from risk by \$3,500,000 of federal deposit insurance and \$24,829,658 of pledged securities held by the custodial bank in the name of the bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Clerk that the bank has failed to pay deposited funds upon demand.

In accordance with GASB Codification Section 150.126, the investment in LAMP at June 30, 2009, was not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and, therefore, not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets.

The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955.

GASB Statement No. 40, *Deposit and Investment Risk Disclosure*, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest rate risk and foreign currency risk for all public entity investments.

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2009

(2) CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

LAMP is a money market like investment pool. The following facts are relevant for money market-like investment pools:

- Credit risk: LAMP is rated AAAm by Standard & Poor's.
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: Money market-like investment pools are excluded from this disclosure requirement, per paragraph 15 of GASB Statement No. 40.
- Foreign currency risk: Not applicable to money market-like pools.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

If you have any questions, please feel free to contact the LAMP administrative office at 800-249-5267.

(3) RECEIVABLES

The receivables of \$19,691 at June 30, 2009, consisted of the following:

Court attendance	\$ 2,700
Recordation	16,991
Advance deposits	<u>26,942</u>
Total	<u>\$ 46,633</u>

The Clerk considers all receivables to be collectible; therefore, no allowance has been

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2009

(4) CAPITAL ASSETS

Change in capital assets for the year ended June 30, 2009, consisted of the following:

<u>Governmental Activities</u>	<u>Balance at June 30, 2008, As restated</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2009</u>
Capital assets being depreciated:				
Computers, furniture and equipment	\$ 858,146	\$ -	\$ (23,595)	\$ 834,551
Less: accumulated depreciation	(635,764)	(71,359)	23,595	(683,528)
Net capital assets, net	\$ 222,382	\$ (71,359)	\$ -	\$ 151,023

During the year ended June 30, 2009, the Clerk's capital outlay expenditures totaled \$12,649. All purchases fell below the Clerk's capitalization threshold of \$2,500.

(5) COMPENSATED ABSENCES

At June 30, 2009, employees of the Clerk of Court had accumulated and vested \$226,172 of employee leave benefits. This amount is recorded as a liability on the Statement of Net Assets.

(6) RISK MANAGEMENT

The Clerk is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Clerk, along with other Clerks of Court in the State of Louisiana, formed the Clerks of Court Self-Insurance Association Fund (CSIAF). It is a public entity risk pool currently operating as a common risk management and insurance program for 36 member Clerks of Court. The Clerks pay an annual premium to CSIAF for their general insurance coverage. The Articles of Association of the CSIAF provide that CSIAF will be self-sustaining through member premiums. The CSIAF pays claims, in excess of the Clerk's deductible of \$3,750, up to a maximum limit of \$1,000,000 for each insured event. During the year ended June 30, 2009, no claims were made against the St. Tammany Parish Clerk of Court for risks covered by the CSIAF. Accordingly, no liability for claims was recognized as of June 30, 2009. No settlements exceeded insurance coverage for each of the past three fiscal years.

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2009

(7) PENSION PLAN

Plan Description

Substantially all employees of the Clerk's office are members of the Clerks of Court Retirement and Relief Fund (the Fund), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All regular employees who are under the age of 60 at the time of original employment are required to participate in the Fund. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/2 percent of their final-average salary for each year of credited service and not to exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55, and receive the benefit accrued to their date of termination. The Fund also provides death and disability benefits. Benefits are established and amended by state statute.

The Fund issues an annual publicly available financial report that includes financial statements and required supplementary information for the Fund. That report may be obtained by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 11745 Bricksome Avenue, Suite B1, Baton Rouge, Louisiana 70816, or by calling (225) 293-1162.

Funding Policy

Members of the Fund are required by state statute to contribute 8.25 percent of their annual covered salary, and the St. Tammany Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 11.75 percent of annual covered payroll. Contributions to the Fund also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the St. Tammany Parish Clerk of Court are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

Beginning July 1, 2001, the Clerk voluntarily began paying both the employee and employer required contributions.

The St. Tammany Parish Clerk of Court's contributions to the Fund for the years ending June 30, 2009, 2008 and 2007, were \$941,837, \$1,019,546, and \$1,170,816, respectively, equal to the required contributions for each year.

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2009

(8) POST EMPLOYMENT BENEFITS

In addition to the pension benefits described in Note 7, the Clerk provides post employment healthcare and life insurance benefits to all employees who retire from the Clerk under the same restrictions as in the above note. As of June 30, 2009, there were 21 retired employees participating in the post employment healthcare and life plan.

The benefits for the covered employees are provided through an insurance company whose monthly premiums are paid jointly by the employee/retiree and by the Clerk. The cost of providing these benefits for the retirees is separable from the cost of providing benefits for active employees and is recorded on a pay-as-you-go basis (cash basis). The Clerk's portion of the total premiums for all employees for the fiscal year ended June 30, 2009, aggregated \$864,413. For the year ended June 30, 2009, the cost of retiree benefits included in total paid premiums was \$49,261.

(9) DEFERRED COMPENSATION PLAN

Certain employees of the Clerk participate in the Louisiana Public Employees Deferred Compensation Plan (the Plan) adopted under the provisions of the Internal Revenue Code Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

(10) CONTINGENT LIABILITIES

From time to time, the Clerk is involved as a defendant in actual or threatened litigation, which is not covered by insurance. At June 30, 2009, there were no pending or threatened claims, which, in the opinion of the Clerk's legal advisors, would have a material adverse affect on the financial statements, should such claims be settled in favor of the plaintiffs.

(11) EXPENDITURES OF THE CLERK OF COURT REQUIRED TO BE PAID BY THE PARISH COUNCIL

Louisiana Revised Statute 13:784 requires the Parish Council to provide the Clerk with all necessary office furniture, equipment and record books. During the year ended June 30, 2009, as well as for several years prior thereto, items provided by the Parish Council have been limited to certain furniture and fixtures, office and storage space and utilities.

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2009

(12) EXCESS FUND BALANCE

Louisiana Revised Statute 13:785 requires That every four years, at the close of the term of office, the Clerk must pay the Parish Council the portion of the general fund's fund balance that exceeds one-half of the general fund revenues for the Clerk's last year of office, which amount shall be limited to the total funds provided the Clerk by the Parish during said term of office. At June 30, 2009, the general fund's balance did not exceed one-half of the general fund revenues.

(13) CLERK'S COMPENSATION

The Clerk's compensation for the year ended June 30, 2009, as established by law for salary, statutory allowance and custodian of voting machines, was \$108,000, \$10,800, and \$2,400, respectively.

(14) CHANGE IN AGENCY FUND BALANCE

The following is a summary of change in agency fund unsettled deposits.

	<u>Unsettled Deposits July 1, 2008</u>	<u>Additions</u>	<u>Reductions</u>	<u>Unsettled Deposits June 30, 2009</u>
Advance deposit	\$ 5,208,794	\$ 6,765,399	\$ 6,753,061	\$ 5,221,132
Registry of court	<u>5,876,701</u>	<u>15,213,100</u>	<u>6,663,866</u>	<u>14,425,935</u>
Total	<u>\$ 11,085,495</u>	<u>\$ 21,978,499</u>	<u>\$ 13,416,927</u>	<u>\$ 19,647,067</u>

(15) PRIOR PERIOD ADJUSTMENT

During the fiscal year ended 2009, the Clerk discovered certain errors in prior period which resulted in an understatement of net capital assets and the overstatement of receivables and accrued liabilities. As a result of the errors, a correction was made to beginning net assets in the amount of \$54,016.

REQUIRED SUPPLEMENTARY INFORMATION (PART 2)

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Fees, charges and commissions for services:				
Court costs, fees and charges	\$ 3,935,224	\$ 4,095,322	\$ 4,092,841	\$ (2,481)
Fees for recording legal documents	4,250,109	2,951,043	2,841,167	(109,876)
Fees for certified copies	199,032	199,032	167,767	(31,265)
Marriage licenses	31,901	31,901	26,423	(5,478)
Interest	500,780	500,780	161,820	(338,960)
Other	518,738	518,739	485,783	(32,956)
 Total revenues	<u>9,435,784</u>	<u>8,296,817</u>	<u>7,775,801</u>	<u>(521,016)</u>
<u>EXPENDITURES:</u>				
General government:				
Administration	534,239	515,698	473,833	41,865
Recordings and filings	2,014,845	1,473,928	1,388,991	84,937
Land records	1,284,164	1,173,010	1,098,132	74,878
Civil suits and probates	2,989,656	2,846,524	2,674,273	172,251
Criminal suits and minutes	2,160,151	1,846,563	1,744,639	101,924
Elections	192,384	184,590	168,064	16,526
Computers	244,804	244,912	234,316	10,596
 Total expenditures	<u>9,420,243</u>	<u>8,285,225</u>	<u>7,782,248</u>	<u>502,977</u>
 Excess (deficiency) of revenues over expenditures	<u>\$ 15,541</u>	<u>\$ 11,592</u>	(6,447)	<u>\$ (18,039)</u>
 FUND BALANCE, BEGINNING			<u>3,326,007</u>	
 FUND BALANCE, ENDING			<u>\$ 3,319,560</u>	

(See Auditors' Report)

OTHER SUPPLEMENTAL INFORMATION

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
SCHEDULE OF REVENUES
GOVERNMENTAL FUND TYPE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

COURT COSTS, FEES AND CHARGES:

Fees - advance deposit	\$ 3,610,652
Criminal costs	470,816
Court attendance	36,300
DA bond forfeiture	<u>2,015</u>

Total court costs, fees and charges 4,119,783

RECORDING LEGAL DOCUMENTS:

Recording	2,508,448
Cancellations	212,746
Certificates	45,189
UCC fees	51,956
Parish Council costs	19,009
SE legal service costs	<u>3,819</u>

Total recording legal documents 2,841,167

CERTIFIED COPIES 167,767

OTHER REVENUES:

Internet income	383,291
Passports	46,190
Other	55,137
Computer time	<u>1,165</u>

Total other revenue 485,783

MARRIAGE LICENSES 26,423

INTERST EARNINGS 161,820

Total revenues \$ 7,802,743

(See Auditors' Report)

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
SCHEDULE OF EXPENDITURES
GOVERNMENTAL FUND TYPE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

ADMINISTRATION:

Personnel services	\$ 343,572
Operating services	114,190
Materials and supplies	3,651
Seminars and conventions	12,178
Capital outlay	<u>242</u>
Total administration	<u>473,833</u>

RECORDING AND FILINGS:

Personnel services	1,274,370
Operating services	92,826
Materials and supplies	18,896
Seminars and conventions	2,615
Capital outlay	<u>284</u>
Total recording and filings	<u>1,388,991</u>

LAND RECORDS:

Personnel services	1,018,839
Operating services	60,901
Materials and supplies	14,313
Seminars and conventions	1,128
Capital outlay	<u>2,951</u>
Total land records	<u>1,098,132</u>

CIVIL:

Personnel services	2,479,295
Operating services	140,961
Materials and supplies	50,531
Seminars and conventions	3,202
Capital outlay	<u>284</u>
Total civil	<u>2,674,273</u>

(See Auditors' Report)

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
SCHEDULE OF EXPENDITURES (CONTINUED)
GOVERNMENTAL FUND TYPE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

CRIMINAL:

Personnel services	\$ 1,594,828
Operating services	90,344
Materials and supplies	51,720
Seminars and conventions	4,083
Capital outlay	<u>3,664</u>
 Total criminal	 <u>1,744,639</u>

ELECTIONS:

Personnel services	157,610
Operating services	7,464
Materials and supplies	1,777
Seminars and conventions	564
Capital outlay	<u>649</u>
 Total elections	 <u>168,064</u>

COMPUTERS:

Personnel services	178,634
Operating services	45,105
Materials and supplies	5,683
Seminars and conventions	319
Capital outlay	<u>4,575</u>
 Total computers	 <u>234,316</u>
 Total expenditures	 <u>\$ 7,782,248</u>

(See Auditors' Report)

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
COMBINING STATEMENT OF FIDUCIARY NET ASSETS - AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Advance Deposit Fund</u>	<u>Registry of Court Fund</u>	<u>Total</u>
<u>ASSETS:</u>			
Cash and cash equivalents	\$ 701,132	\$ 14,425,935	\$ 15,127,067
Investments	<u>4,520,000</u>	<u>-</u>	<u>4,520,000</u>
 Total assets	 <u>\$ 5,221,132</u>	 <u>\$ 14,425,935</u>	 <u>\$ 19,647,067</u>
<u>LIABILITIES:</u>			
Unsettled deposits	\$ 5,221,132	\$ 14,425,935	\$ 19,647,067
 Total liabilities	 <u>\$ 5,221,132</u>	 <u>\$ 14,425,935</u>	 <u>\$ 19,647,067</u>

(See Auditors' Report)

ST. TAMMANY PARISH CLERK OF COURT
ST. TAMMANY PARISH, LOUISIANA
SCHEDULE OF CHANGES IN UNSETTLED DEPOSITS - AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Advance Deposit Fund</u>	<u>Registry of Court Fund</u>	<u>Total</u>
<u>ADDITIONS:</u>			
Deposits:			
Suits and successions	\$ 6,765,399	\$ -	\$ 6,765,399
Judgements	-	14,865,743	14,865,743
Interest earned on investments	-	347,357	347,357
	<hr/>	<hr/>	<hr/>
Total additions	6,765,399	15,213,100	21,978,499
	<hr/>	<hr/>	<hr/>
<u>REDUCTIONS:</u>			
Clerk costs	3,642,705	3,136	3,645,841
Settlements to litigants	1,535,777	6,660,730	8,196,507
Other	667,091	-	667,091
Sheriff's fees	513,710	-	513,710
Parish Council costs	211,174	-	211,174
22nd Judicial District Court fund	115,057	-	115,057
Secretary of State	30,165	-	30,165
Stenographer fees	25,511	-	25,511
Court of Appeals	11,871	-	11,871
	<hr/>	<hr/>	<hr/>
Total reductions	6,753,061	6,663,866	13,416,927
	<hr/>	<hr/>	<hr/>
Change in unsettled deposits	12,338	8,549,234	8,561,572
Unsettled deposits, beginning	5,208,794	5,876,701	11,085,495
	<hr/>	<hr/>	<hr/>
Unsettled deposits, ending	\$ 5,221,132	\$ 14,425,935	\$ 19,647,067
	<hr/>	<hr/>	<hr/>

(See Auditors' Report)

**OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Malise Prieto
St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

We have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of St. Tammany Parish Clerk of Court (the Clerk), as of and for the year ended June 30, 2009, and have issued our report thereon dated November 5, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Clerk's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Clerk's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Clerk's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Clerk's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Clerk's financial statements that is more than inconsequential will not be prevented or detected by the Clerk's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Clerk's internal control.

ERICKSEN KRENTEL & LA PORTE LLP
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

To the Honorable Malise Prieto
St. Tammany Parish Clerk of Court
November 5, 2009

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Clerk's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information and use of management, the Louisiana Legislative Auditor, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

November 5, 2009

Ericksen, Krentel & LaPorte LLP

Certified Public Accountants